H.B. 843 Kentucky Commission on Services and Supports for Individuals With Mental Illness, Alcohol and Other Drug Abuse Disorders, and Dual Diagnosis
June 7, 2004 Meeting Minutes
Capital Annex Room 131
Frankfort, Kentucky

Commission Members Present: Representative Mary Lou Marzian, Secretary James Holsinger, Pat Wear, Russ Fendley, Representative Charlie Siler, Brian Sunderland, Harry Carver, Tricia Salyer, Wanda Bolze, Maureen Fitzgerald, William Heffron, Rickie Dublin, Robin Ritter, Bernie Block, Kalem Juett, Karen Quinn, Bob Hicks, Connie Payne, Jim Acquisito, Bill Morrison.

WELCOME

- Co-Chair Secretary Holsinger called the meeting to order and made brief introductory remarks. Secretary Holsinger stressed that he will be personally involved with the HB843 Kentucky Commission on Services and Supports for Individuals with Mental Illness, Alcohol and Other Drug Abuse Disorders, and Dual Diagnosis and looks forward to working with Representative Marzian.
- Representative Marzian welcomed everyone and asked that everyone introduce themselves and state the organization they were representing. Representative Marzian asked for a motion to approve the minutes from the December Meeting. Representative Siler motioned and the Commission members approved.

HB843 COMMISSION OVERVIEW AND ORIENTATION

Steve Shannon and Dr. Sheila Schuster

Dr. Schuster stated that the Commission was developed to better deal with Mental Health and Substance Abuse issues throughout the state. This is a very significant portion of the population and is also an under served part of the population. More than 1 in 5 Kentuckians will be faced with a Substance Abuse and/or Mental Health problem during their lifetime. Kentucky is 44th in funding Mental Health and Substance Abuse treatment. HB843 has brought a focus to these dual diagnosis conditions. The key to the success of the HB843 Commission has been the bottom up grassroots approach, developing the 14 Regional Planning Councils to collaborate and pull together all the partners to the table and bring issues and ideas to the forefront. The Commission has been instrumental in pulling together the best minds in Kentucky to solve some of these problems. Legislators have become educated about the issues around Mental Health and Substance Abuse issues in a way that wasn't possible prior to the development of this commission. In order to move Kentucky from 44th in funding to 25th, it would require an allocation of $25M new dollars every year for ten years.

Representative Marzian mentioned that one of the needs that the Regional Planning Councils brought forward was the need for qualified staff across the state. Because of this need the Universities, Colleges and Department of Mental Health collaborated in developing curriculums for bachelor and master's programs focusing on Mental Health.

These partnerships have instrumental in providing training initiatives available to people in the rural communities.

Bernie Block restated that even though $25M per year is a substantial amount of money, you have to consider the cost savings in other areas, such as juvenile justice, corrections, etc. Making treatment available early saves money over the long term.

Representative Marzian stated that the work of the Regional Planning Council's has been outstanding and continues to be successful because of the inclusiveness of the Regional Planning Council's and their hard work.

KENTUCKY SUICIDE PREVENTION PLANNING GROUP

Secretary Holsinger introduced Connie Milligan, the current chair of the Kentucky Suicide Prevention Planning Group. The planning group has been active for the last two years but has been made official through recent legislation that passed during the last session, integrating the work of the planning group with the work of the HB843 Commission.

Connie Milligan began her presentation by introducing members of the planning group and their affiliations; Barbara Kaminer, Sara Wilding, Beth Sanderson, Dennis Walsh, Jan Ulrich, Jason Padgett, and Tena Robbins. Connie stated that Kentucky is currently 22nd in the nation for the rate of suicide. That translates to approximately 500 deaths per year due to suicide. The suicide rate in Kentucky has consistently been higher than the national average. The department of epidemiology has been able to provide statistics the hospital utilizing discharge data. There were 2,920 admission to hospitals for suicide attempts during 2003. Out of those numbers 2,282 were age 44 or under, which represents the largest proportion. Average hospital charge per case was $9,064 with an overall total of $26,466,880 per year. It's important to remember there is a significant cost associated with suicide.

The mission of the Kentucky Suicide Prevention Planning Group is to promote suicide awareness, and provide proactive leadership in the reduction of suicide attempts and deaths in the Commonwealth. The structure of the Planning Group was modeled after the Public Health Approach. There are three key committees; Awareness, Intervention/Training, and Steering.

Accomplishments to date of the Kentucky Suicide Prevention Planning group are as follows:

- Obtained grant from National Association of State Mental Health Program Directors.
- Department for Mental Health/Mental Retardation obtained and distributed printed prevention materials.
- Promoted CMHC using 1-800-SUICIDE crisis line.
- Involved state legislators in national conference on development of state suicide prevention plan.
- Developed overall Kentucky Suicide Prevention Plan.

Jason Padgett discussed the work of the Awareness Committee and their accomplishments. The focus this Committee has been to appropriately broaden the public's awareness of suicide and it's risk factors. A few of their accomplishments are:

- The establishment and creation of information packets and brochure.
- Development of a state chapter of Suicide Prevention Action Network.
- Developed a link for Suicide Prevention on the Department of Mental Health and Substance Abuse website.
- Distributed and presented information to various news organizations, radio and newspapers.
- Created display booths to set up at various exhibitions and conferences.
- Led campaign of support to Senate Joint Resolution 148 establishing a suicide prevention advisory committee.

Dennis Walsh gave an overview of the Intervention/Training Committee goals and accomplishments. The main goal of the Intervention/Training Committee is to have every junior high school student know something about suicide and suicide prevention. An additional goal is to have specific junior high school students who are at high risk receive the appropriate clinical care in a timely manner. Dennis said that one of the overall questions that he hears from persons participating in the Intervention/Training Committee is that when an individual is identified as someone who is at high risk will the specific care be available to that individual? Some of the accomplishments of this committee are:

- Established goals for all age groups, in all venues.
- Recommended QPR as the suicide prevention model for Kentucky.
- Sponsored Paul Quinnett, nationally recognized to provide QPR gatekeeper training to 28 recipients and over 40 clinical providers in the state.
- Make training available to all persons who interact with teenagers on a regular basis (i.e. coaches, teachers, dormitory hall supervisors, etc.)

Tena Robbins discussed the goals and accomplishments of the Evaluation/Steering committee. The goal of the committee is to advance the science of suicide prevention by improving reporting, promoting research and expanding surveillance systems in order to provide information to support decision making. We have developed evaluation forms for training's that are being provided across the state so we have a better idea of the effectiveness of the training and whether modifications need to be made. Data being collected is also being used in the formulation of grant proposals. More recently we have Collaborated with the University of Kentucky Chandler Medical Library training initiative.

Connie Milligan gave a brief overview of the Next Steps for KSPPG. The ongoing tasks of the group will focus on:

- Distributing information and providing speakers to all whom request it.

- Offer workshops and gatekeeper training across the state, along with curriculum development.
- Continue to gather, compile and distribute the latest statistical information and proven methods of suicide prevention.

Representative Marzian asked if the workgroup could follow up with the universities to see if they have any preventative measures in place and a way to keep better reporting records. Is it mandatory that the hospitals report suicides and suicide attempts to Public Health?

Beth Sanderson responded that the information is incorporated into the hospital discharge reports, but it is not a statute or requirement for them to provide this information.

Connie Milligan stated that the Office of Epidemiology has the statistics broken down by county if anyone would like this information they can request it.

Representative Marzian also stated that anyone wanting to join the Suicide Prevention Planning Group should contact Connie Milligan about participating.

Secretary Holsinger stated that in order to be compliant with Joint Resolution 148 a motion needed to be made to adopt the Suicide Prevention Planning Group as a work group of the HB843 Commission. Russ Fendley motioned and the commission members approved.

❖ *See meeting handout for additional information*

LEGISLATIVE UPDATE
Kevin Payton - Cabinet Legislative Director

Kevin Payton began by reviewing Legislation that passed during the last session that were of particular interest to the HB843 Commission. Kevin introduced Bruce Scott, Division of Mental Health, to assist with the review.

HB 67 - Hospitalization of a disabled or incapacitated person; and involuntary commitment for individuals who suffer from alcohol and drug abuse. Bruce Scott stated that this bill allows an individual who is disoriented the opportunity to receive further psychiatric evaluation and treatment at a general hospital within their local community without an involuntary commitment which may require the individual to be transferred to a state hospital.

Secretary Holsinger mentioned that there are a few concerns in the way this bill is written but hopefully during the next general assembly a few amendments can be made to the bill to improve it. Representative Marzian discussed that one of her concerns was whether the bill was for the insured, uninsured or both. Secretary Holsinger stressed that everyone will work together to improve the way this bill was originally written and to address the concerns that are unclear at this point.

Bruce Scott stated that one of the concerns he has heard from various individuals is the Civil Liberties effect of this bill.

Jamie Lee addressed the commission regarding limited assistance available to those with mental illness. There is a need to focus on real recovery issues, the basic needs such as; food, clothing, employability, education, transportation, communication, child care, self esteem and independence. Jamie stated that medication is not the cure all it just numbs the person but the problems still exist.

❖ *See meeting handout for additional information*

HB 90 - Increased bed capacity in children's Psychiatric Residential Treatment Facilities (PRTF).

The intent of this legislation is to provide stability of care by incorporating alternatives to rehospitalization. This piece of legislation increases the capacity of a PRTF from eight beds to nine beds. It also redistributes these beds throughout the state to meet specific needs and greater utilization of PRTF beds.

Secretary Holsinger stated that one issue that was key to this was the fact that while the number of beds was increased from eight to nine, the staffing didn't need to be increased to stay within compliance.

HB 116 - The Kentucky Independence Plus through Consumer-Directed Services Program Act of 2004.

Essentially this bill creates a pilot project that will set us on a path where consumers can take some control over types of services that they receive and who provides these services.

Sheila Schuster stated that the model that is being used is also being reviewed on a national level in serving the Mental Health and Substance Abuse populations.

Commissioner Wear stated that he worked with this model in his previous position and found that consumers are very savvy and the program was very successful in Florida.

HB 157 - Increased funding of services for individuals with brain injuries; and establishes a telephonic behavioral health jail triage system.

The bill raises the service fee for a DUI conviction and the money is then passed on to the Brain Injury Trust Fund.

Bruce Scott discussed the development of the telephonic jail triage. This is an issue that has been of concern for the last few years. An expert panel will be available to jailers to triage the needs of prisoners brought in the door and better evaluate whether these

individuals have Mental Health, Mental Retardation, Substance Abuse and Brain Injury issues. Many of the jails don't have the capability to make these determinations. Connie Milligan and Ray Sabatani with others put together a pilot program of providing this triage and found it to be very successful. This legislation allows for the Cabinet to contract with an MH/MR Board to provide these services.

HB 242 - Authorizes staff physicians to order the admission into a hospital of any person who is present or presented at the hospital with Mental Health issues. The goal is to provide the rural hospitals with a way to hold individuals with Mental Illness who is a danger to self or others. The individuals won't have to be held in the emergency room until appropriate help can be obtained. It allows the individual to be admitted into the hospital and possibly stabilized in 72 hours rather than transported to a state hospital.

HB 322 - Expands the SIAC to include the FRYSC; and establishes a join HB 843 and HB 144 adhoc committee to make recommendations for services for children transitioning from children's to adult services; giving first-floor housing priority to a student who is disabled.

Darla Bailey, President, Kaleidoscope, Inc. who is an adult day provider stated that there are adult day services needed for transitional age children along with an array of other services to continue comprehensive services that children are able to receive through available funding sources. We have been working with Senator Denton on identifying some of the issues surrounding these individuals. We are calling these transitional issues. We are moving forward with a plan of action to keep these services flowing for these individuals while they transition from children to adult services. We have determined that we need to work with both HB 843 and HB 144 Commission's in reaching this goal.

These transitional age individuals has been discussed throughout the Regional Planning Council reports and RIAC reports. They have also been discussed in conjunction with the homeless population and how we can help children who are phasing out of foster care.

Representative Marzian request that she and Secretary Holsinger appoint five people to the adhoc committee that will be studying transitional issues. The adhoc committee will be established by August 1, 2004.

Secretary Holsinger asked for an enabling motion from the Commission that the Co-Chairs be authorized to appoint the ten members to the adhoc group from the HB843 Commission in order to move that list on to the HB144 Commission so members are not duplicated. Representative Siler made the motion and Wanda Bolze seconded. Commission members approved.

PRESIDENT'S NEW FREEDOM COMMISSION

Bruce Scott

Bruce discussed the essentials of the President's New Freedom Commission report. This commission was appointed with the task of reviewing all issues surrounding people with disabilities. The commission is trying to align federal programs with the real needs of states providing services to these individuals.

Bruce stated that the transformation of the mental health service delivery system rests on two principles: First, services and treatments must be consumer and family centered and secondly, care must focus on increasing consumers' ability to successfully cope with life's challenges, on facilitating recover, and on building resilience, not just on managing symptoms.

1) The commission identified six goals that would drive this transformation:
2) Americans understand that mental health is essential to overall health.
3) Mental health care is consumer and family driven.
4) Disparities in mental health services are eliminated.
5) Early mental health screening, assessment and referral to services are common practice.
6) Excellent mental health care is delivered and research is accelerated.
7) Technology is used to access mental health care and information.

Bruce also discussed some of the grants that have been made available on the Federal Level as an outcome of the President's New Freedom Commission. On a national level the State of Kentucky has a respected mental health delivery system in addressing a lot of the goals identified by the Commission.

Representative Marzian stated that with the establishment of the HB843 Commission in 2000 along with the Regional Planning Councils, Kentucky as a state are ahead of the game in achieving a lot of the goals set forth by the President's New Freedom Commission.

❖ *See meeting handout for additional information*

NEXT MEETING/NEXT STEPS
Secretary Holsinger and Representative Marzian

Representative Marzian suggested to the commission on having someone from the President's New Freedom Commission at the next meeting to discuss some of their strategies and how we can dovetail with the federal report.

We should also hear reports from the Regional Planning Councils at the next meeting. We might want to have a one-day retreat in the fall or go ahead with a meeting.

Secretary Holsinger stated that a full day retreat would be great if we could work out the details in a casual setting. Having someone from the President's Commission to speak and see if we are in sync with where they are headed, the Regional Planning Councils and Work Groups, possibly sometime in September.

Secretary Holsinger proceeded to address the commission on the recent merging of the two Cabinets, Cabinet for Families and Children and Cabinet for Health Services. These are human issues that need to be addressed simultaneously. Now that there is one cabinet the issues can be better-managed and a better utilization of services can be established. We want to do what's legal, ethical and moral as a Cabinet. We want to build our services around that three way test, we won't have anything to worry about when it comes to doing what's right for the people of Kentucky and also about what the media says about our initiatives if we use that criteria.

One of the largest issues I've struggled with is the quality of our facilities in which we take care of people. We try to keep them in repair but they are very old. We should look at ways in which we can improve these facilities and better serve our population. I've had a coalition of people look at way in which to improve the facilities and they have designed a Concept Paper (see attachment). I want widespread thinking around what can be done to improve the quality of the facilities. I would like to distribute copies of the Concept Paper for your review as well as for distribution. This is not confidential and is the executive summary of a concept. Please distribute to the Regional Planning Council's and advocacy groups for their review, reiterating that this is only a draft of an idea.

Bernie Block asked whether there will be numbers to follow as far as expenditures to go along with the concept?

Secretary Holsinger responded by suggesting to the Legislature that any funds received by selling the existing facilities would go back into a Trust Fund and used to better serve individuals throughout the state.

Wanda Bolze reiterated that this is a topic for the Regional Planning Councils since they have a stake in this concept. They are the people that will want to provide feedback on this idea.

Secretary Holsinger said that he doesn't want to go forward with this proposal without the consent of the HB843 Commission's support.

Representative Marzian also stated that the Regional Planning Council's need input since they represent the grassroots in this process. They will see the bugs in this plan and better able to offer input. Do we build on existing facilities throughout the state, build a new facility, what is the best idea?

Secretary Holsinger stated that without everyone on board; consumers, legislators, professionals, grassroot organizations, this plan would never succeed. Our goal is to provide the best quality care to people in the state.

With no further business, the meeting was adjourned.

DRAFT

CONCEPT PAPER
DEPARTMENT FOR MENTAL HEALTH/MENTAL RETARDATION SERVICES

Psychiatric Hospital Relocation and Consolidation
Information and Issues

Objective: To promote quality mental health in-patient services by building a new 300 bed psychiatric hospital to treat patients currently served by Central State Hospital and Eastern State Hospital.

Background: **The Cabinet for Health and Family Services is committed to maintaining an active role in ensuring that only high quality services are provided to individuals with mental illnesses. The replacement hospital would become a fully integrated partner into the Commonwealth's mental health delivery system. Current facilities are inefficient and costly to operate. Much of our available resources have to be reserved to fund maintenance and repairs rather than to provide services to those in need. By relocation and merger of existing facilities, resources can be best utilized for service delivery.**

Benefits:

- Improved quality of care with new state-of-the-art facilities including opportunities for physical design changes to enhance service delivery and the potential to increase physical health services provided on-site, thus achieving a more holistic treatment approach.
- Development of new treatment programs and better operating procedures by identifying and combining the best of what CSH and ESH have to offer.
- Aversion of cost to maintain the current hospital. Currently, $28 million in bond funded projects/improvements are identified in the capital plan for Eastern State Hospital & Central State Hospital that can be cost avoided with a new facility. Contractor would secure construction funding negating additional strain on the Commonwealth's capital funding resources and limitations.
- Development of a single story replacement facility for Central ICF-MR would improve the quality of care as well as the quality of life for both clients and employees, and reduce operating inefficiencies.
- Reduction of inefficiencies by combining operations.
- Flexibility of contractors to operate under a less restricted and usually less costly environment, i.e. construction requirements, mandated pay raises, etc.
- Reduction of liability for services rendered via contractual agreement is somewhat reduced

- Increase in agency revenue by the attractiveness of a new hospital to more insurance
- Decrease the overhead allocation of the Department by contracting the facility
- Ability to absorb state employees working at Central State Hospital into other state operations within Jefferson County.
- Ability to locate the facility on other state property, which could be leased to the contractor.

Method of Operation: The Commonwealth would solicit RFP proposals for the construction and operation of a new 300-bed psychiatric hospital. The Commonwealth would be the official provider of record and ***contract for a term of 18 years*** (3-year construction period and 15 years of operations). The contract would contain a ***bargain purchase option*** at the end of the 18 year term allowing the Commonwealth to buy the facility. The contractor would operate the hospital within the Department's approved budget and would be fully reimbursed for leasing costs (depreciation, interest, and start up costs) during the 15 year operating term. No payments would be made to the contractor until the hospital becomes operational. Eastern State Hospital and Central State Hospital would continue to operate until completion of the new facility. The contractor would earn a fixed management fee for this service.

Basic Financial Information: The construction cost for a new 300 bed hospital facility meeting all applicable licensing and accreditation standards is projected to be between $60 and $70 million. Operating the hospital with an assumed patient load of 250 (equivalent to current average daily census at CSH & ESH) is expected to cost $54.5 million annually. **By securing a new hospital and gaining certain economies of scale, it is conservatively projected there will be $5.2 million annual operating fund savings to the Commonwealth.** Of this amount, approximately $4 million will be the result of eliminating duplicative salaries and contract labor costs. The remaining $1.2 million savings would come from efficiencies gained in plant operations, housekeeping, and management fees, etc.

Location: The replacement facility would be built between downtown Louisville and downtown Lexington. The facility would be required to be located within 10 miles of an interstate and labor markets would be analyzed to determine sufficiency of technical personnel and the cost of labor in the various markets. A portion of the operating savings identified above would allow instituting a free shuttle service for client visitors. The client visitors, which would include family, friends, guardians, etc., would be transported from designated pick-up areas to the new hospital and back. The shuttle service could be operated 7 days a week to ensure that clients have full access to visitors.

Creation of Mental Health Mental Retardation Trust Fund: A trust fund would be established to ***receive all receipts*** generated from the sale of the Central State Hospital and Eastern State Hospital campuses. This trust fund would be ***earmarked exclusively***

for uses that improve and promote the quality of mental health and mental retardation services provided to the citizens of the Commonwealth. Furthermore, both Central State

Hospital (approximately 43 acres) and Eastern State Hospital (approximately 65 acres) have significant value and the receipts recognized from the sale of these properties would have the potential to ***noticeably impact services in a positive way.***

Potential Challenges:

- Applicability of closure provisions contained in KRS 210.047 (which are attached for reference) and how to best deal with them.
- Securing through the legislature an 18-year commitment to the contractor.
- Securing and providing support for the personal care homes, Central ICF-MR, and KCPC as hospitals are merged from current locations.
- Obtaining a decision from Certificate of Need regarding replacement bed licenses.
- Maintaining "state-owned" DSH pool status with Medicaid for replacement hospital.
- Addressing opposition to the sale of ESH due to the historic nature of buildings.
- Obtaining alternative resources for services provided to KCPC, Central State ICF/MR, and two personal care homes due to closures.

DRAFT

RELOCATION OF PSYCHIATRIC HOSPITALS
TIMELINE

June 7, 2004 – Discuss replacement hospital plans with full HB 843 Commission Membership.

June 8 – 30, 2004 – Discuss plans with groups impacted to include executive management of Central State Hospital, Bluegrass Regional MH/MR Board, Seven Counties Services and the parent/family group for Central State Intermediate Care Facility for persons with Mental Retardation (ICF/MR).

July 1, 2004 – Issue press release describing RFP for merger of hospitals

July 1, 2004 to December 31, 2004 – HB 843 Commission addresses actions that must be taken in the January 2005 legislative session to allow issuance of a RFP during the state fiscal year 2005-2006. Topics to include:

- Legislation allowing certain contracts to extend beyond the current biennium.
- Closure provisions contained in KRS 210.047. Determine any legislative action required and obtain a sponsor, if necessary.
- Legislation required to protect Trust Fund established to receive proceeds from sale of property.

January 2005 – Present statutory language to the legislature.

April 15, 2005 – Statutory changes enacted by the legislature become effective.

January 1, 2005 to April 15, 2005 – Develop specifications for Request for Proposal (RFP). Also, determine individuals and organizations adversely impacted by relocation of current facilities and prepare preliminary transition plans for each.

April 16, 2005 – Issue RFP for construction of and management of state hospital facility. Allow RPF to remain open for a three month period.

July 1, 2005 – Responses to RFP due. Evaluations of proposals and the preliminary negotiation process shall proceed through **October 31, 2005**.

November 1, 2005 – Final negotiations are made and award is issued.

January 1, 2006 – Contract is finalized and construction process begins. Issue press release.

January 1, 2006 – Begin process to dispose of Central State and Eastern State Hospital campuses.

July 1, 2006 – Property disposal complete and funds transferred to Trust Fund.

February 1, 2008 – Target date – substantial completion and first patients move in.

January 1, 2009 – Operations are fully transferred.